

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 671

STATUS: A Engrossed

SUBJECT: Establishes Capitol Planning Commission

GOVERNMENT UNIT AFFECTED: All state agencies with facilities within the boundaries of the cities of Salem and Keizer

PREPARED BY: John Terpening

REVIEWED BY: Laurie Byerly

DATE: April 27, 2009

	<u>2009-2011</u>	<u>2011-2013</u>
EXPENDITURES: See Analysis		

EFFECTIVE DATE: On Passage

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: This measure establishes the nine-member Capitol Planning Commission to adopt and implement a development plan for all state agency buildings within the Salem and Keizer city boundaries. The Commission is directed to conduct studies and analysis for building needs of all state agencies within the cities boundaries and to develop standards for state buildings and grounds. The Commission will consult with agencies and local governments on the development plans and report to the Legislative Assembly once every two years.

The measure directs the Commission to investigate additions, reductions, or other changes in state buildings and grounds within the city boundaries. The Commission will also investigate, review, and make recommendations on all proposals submitted by state agencies. The Commission will review all state agency proposals for purchase, construction, or significant changes costing more than \$1 million to state buildings. State agencies cannot issue final approval on proposals until the Commission has reviewed and made a recommendation. The review and recommendation must be received by the state agency within 90 days of submitting the proposal. If no recommendation is received, the proposal is approved. Proposals reviewed by the Commission do not need to be reviewed by the Capital Projects Advisory Board.

Members of the Commission who are members of the Legislative Assembly are paid compensation and reimbursed for expenses out of funds appropriated to the Legislative Assembly. Other members of the Commission are entitled to per diem compensation. The Department of Administrative Services (DAS) will provide staff and other resources required by the Commission.

Currently all state agencies submit capital building project plans to the Capital Projects Advisory Board (CPAB) within DAS. This measure would transfer the review of the Salem-Keizer area projects to the Capitol Planning Commission. DAS states that the measure has no fiscal impact, as the Department already staffs the CPAB and would use the existing budgeted resources to staff the Capitol Planning Commission. Although not specifically stated in the bill, it is assumed that the Commission would be attached to DAS for budget purposes, similar to the Oregon Progress Board.

The Legislative Assembly states the measure has a minimal fiscal impact for the compensation and expense reimbursement of members of the Commission.

The fiscal impact of the measure is indeterminate but expected to be minimal. The measure is unclear on how the Commission will be funded and does not specify a revenue source. However, DAS indicates it would use the Statewide Property Management assessment to cover Commission expenses. This assessment, which is paid by state agencies, is used by the DAS Facilities Division to coordinate development, resource management, and planning of major construction projects as required under ORS 276.227 (statewide capital project planning).

The Legislative Fiscal Office (LFO) notes that the measure requires agencies to wait up to 90 days for the Commission to provide a recommendation on submitted projects. This provision may impact the scope, timing, and possible cost of agency projects.